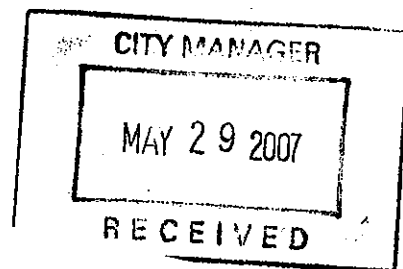




U.S. Department of Housing and Urban Development
San Francisco Regional Office - Region IX
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May 24, 2007



Honorable Laura Macias
Mayor of the City of Mountain View
P.O. Box 7540
Mountain View, CA 94039

Dear Mayor Macias:

Subject: Annual Community Assessment for the 2005 Fiscal Year
City of Mountain View, California

We have completed our Annual Community Assessment (ACA) of the City of Mountain View's performance in implementing its Fiscal Year 2005 Annual Action Plan objectives, based on the City's Five-year Consolidated Plan. The Fiscal Year covered by this assessment includes the period from July 1, 2005 - June 30, 2006. As a result of this assessment, we have determined that the City of Mountain View has the continuing capacity to implement and administer the Community Development Block Grant (CDBG) and HOME Investment Partnerships programs and is in compliance with the statutes and regulations governing these programs. This determination is based upon the information available to this office through the City's Consolidated Annual Performance and Evaluation Report and program performance data contained in HUD's Integrated Distribution and Information System (IDIS).

The lack of affordable housing is the number one priority need identified in the City of Mountain View's five-year Consolidated Plan. The City has one of the most expensive housing markets in the country, due in large part to the lack of land suitable for new housing. We wish to commend the City for its strong financial and political support of affordable housing, as well as its successful collaboration with non-profit organizations and other local government entities during FY 2005, to create and preserve affordable housing benefiting low and moderate-income seniors and families.

During this first year of the City's new five-year Consolidated Plan, the City made satisfactory progress toward meeting its five-year housing and community development goals benefiting low and moderate-income households and individuals. More specifically, the following objectives were accomplished:

- Completed the construction/ and began occupancy of the 120-unit San Antonio Place efficiency studios project for very low and extremely low-income persons.

- Completed the pre-construction phase of the New Central Park Apartments, which will involve the development of 104 new rental units for very low-income seniors (construction began earlier this month).
- The City Council completed a year-long review of the different housing programs and projects, which could be carried out with approximately \$48 Million in local housing funds that the City expects to secure over the next five years, as well as adopted a number of priority housing projects to be pursued.
- Implemented several public facilities and improvements, including the completion of the Klein Park playground, began construction of Devonshire Park and completed the contractor bid process for the rehabilitation of the Alice Avenue transitional housing facility.
- Mortgage Credit Certificates were issued by the County of Santa Clara on behalf of the City, to eligible low-income Mountain View first-time homebuyers.
- Provided emergency shelter and supportive services to Mountain View homeless persons, i.e., 7,972 shelter days, and 4,576 persons received a variety of emergency assistance services to prevent them from becoming homeless.
- Over 550 low-income seniors received case management, food, legal and other assistance, in order to continue living independently on limited incomes and 18 home repair/home access projects were completed through the City's Minor Home Repair Program, which principally benefited senior and disabled persons.

Based on our review of annual performance information and IDIS system data, we have determined that the CDBG Program's statutory and regulatory requirements were met during the reporting period, in terms of benefit to low and moderate-income persons and the timeliness of expenditure of funds. The commitment and expenditure requirements of the HOME Program were also satisfied.

HUD has developed a new Performance Measurement System to describe the results of housing and community development programs to the public and to Congress. The Performance Measurement System will enable grantees to evaluate projects ensuring that Consolidated Plan and Annual Action Plan goals are met, as well as assess how projects impact their communities and the lives of residents. Grantees will need to report on outcomes and outputs in the Integrated Disbursement and Information System (IDIS) beginning FY 2006, and fully implement the Performance Measurement System in Consolidated Plans and Annual Action Plans beginning in FY 2007. We are available to assist the City with any aspects related to the implementation of this system and to address any other technical assistance needs.

We look forward to continuing to work in partnership with the City of Mountain View, in order to help the City continue to achieve its immediate and long-range, affordable housing and community development quantitative outputs and benefit outcomes to the community.

Sincerely,

Original signed by

Steven B. Sachs
Director, Community Planning
and Development Division

cc: Kevin C. Duggan
City Manager
Elaine Costello
Community Development Director
Linda Lauzze
Administrative and Neighborhood
Services Manager, CD
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